

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

m

W-02368A
Mirabell Water Company, Inc.
1037 S. Alvernon, Ste. 250
Tucson, AZ 85711

RECEIVED

APR 03 2006

Z Corporation Commissic
Director of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2005
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FOR COMMISSION USE

ANN04	05
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entered
1-4-06 RF

COMPANY INFORMATION

Company Name (Business Name) <u>MIRABELL WATER COMPANY</u>			
Mailing Address <u>1032 South Alvernon Suite 250</u>			
<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85711</u> (Zip)	
<u>(520) 323-7777</u> Telephone No. (Include Area Code)	<u>(520) 323-1355</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>1032 South Alvernon Suite 250</u>			
<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85711</u> (Zip)	
<u>(520) 323-7777</u> Local Office Telephone No. (Include Area Code)	<u>(520) 323-1355</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>Morton Freedman</u> <u>President</u>			
<div style="display: flex; justify-content: space-between;">(Name)(Title)</div>			
<u>1032 South Alvernon #250</u> (Street)	<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85711</u> (Zip)
<u>(520) 323-7777</u> Telephone No. (Include Area Code)	<u>(520) 323-1355</u> Fax No. (Include Area Code)	<u>(520) 990-7770</u> Pager/Cell No. (Include Area Code)	
Email Address <u>MFFREEDMAN@RAWCOMM.NET</u>			
On Site Manager: <u>Morton Freedman</u>			
<div style="display: flex; justify-content: space-between;">(Name)</div>			
<u>1032 South Alvernon #250</u> (Street)	<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85711</u> (Zip)
<u>(520) 323-7777</u> Telephone No. (Include Area Code)	<u>(520) 323-1355</u> Fax No. (Include Area Code)	<u>(520) 990-7770</u> Pager/Cell No. (Include Area Code)	
Email Address <u>MFFREEDMAN@RAWCOMM.NET</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>Morton Freedman</u>			
<small>(Name)</small>			
<u>1037 South Alhambra</u>	<u>#250 Tucson</u>	<u>AZ</u>	<u>85711</u>
<small>(Street)</small>	<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>(520) 323-7777</u>	<u>(520) 323-1355</u>	<u>(520) 990-7770</u>	
<small>Telephone No. (Include Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Pager/Cell No. (Include Area Code)</small>	
Attorney: <u>Leonard E. Felker</u>			
<small>(Name)</small>			
<u>155 W. Council</u>	<u>Tucson</u>	<u>AZ</u>	<u>85702</u>
<small>(Street)</small>	<small>(City)</small>	<small>(State)</small>	<small>(Zip)</small>
<u>(520) 622-7733</u>	<u>(520) 622-7967</u>		
<small>Telephone No. (Include Area Code)</small>	<small>Fax No. (Include Area Code)</small>	<small>Pager/Cell No. (Include Area Code)</small>	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME *Mirabell Water Company* *2005*

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	<i>23,726</i>	<i>12,137</i>	<i>11,589</i>
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment	<i>58,554</i>	<i>54,261</i>	<i>4,293</i>
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	<i>60,542</i>	<i>60,439</i>	<i>103</i>
333	Services			
334	Meters and Meter Installations	<i>7,031</i>	<i>6,881</i>	<i>150</i>
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	<i>149,853</i>	<i>133,718</i>	<i>16,135</i>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Mirabell Water Company 2005

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	23,726	variable	1319
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment	58,554	variable	558
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	60,542	variable	67
333	Services			
334	Meters and Meter Installations	7031	variable	119
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	149,853		2063

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME *Mirabell Water Company 2005*

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 304	\$ 8573
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	4187	164
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 4551	\$ 8737
	FIXED ASSETS		
101	Utility Plant in Service	\$ 147474	\$ 149853
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	132975	133718
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 14499	\$ 16135
	TOTAL ASSETS	\$ 19050	\$ 24872

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME Mirabell Water Company 2005

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 10556	\$ 8666
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 10996	\$ 8666
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 109658	\$ 109658
211	Paid in Capital in Excess of Par Value	21223	21223
215	Retained Earnings	<122387>	<114676>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 8493	\$ 116205
	TOTAL LIABILITIES AND CAPITAL	\$ 19050	\$ 24871

COMPANY NAME Mirabell Water Company 2005**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 37056	\$ 37471
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 37056	\$ 37471
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water	8083	7726
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance		
621	Office Supplies and Expense	1133	1513
630	Outside Services	7454	4878
635	Water Testing	145	379
641	Rents	2876	3535
650	Transportation Expenses	8581	6184
657	Insurance - General Liability	3076	2283
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	2118	711
403	Depreciation Expense	2537	2063
408	Taxes Other Than Income	2098	2036
408.11	Property Taxes	2271	2751
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 40992	\$ 34059
	OPERATING INCOME/(LOSS)	\$ <3936>	\$ 3412
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		4638
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	<404>	<339>
	TOTAL OTHER INCOME/(EXPENSE)	\$ <404>	\$ 4299
	NET INCOME/(LOSS)	\$ <4340>	\$ 7711

COMPANY NAME MIRABELL Water Company

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

<u>SEE ATTACHED</u>	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12-14-01			
Source of Loan	WIFA			
ACC Decision No.				
Reason for Loan	REPAIRS			
Dollar Amount Issued	\$ 15,000	\$	\$	\$
<u>PRINCIPAL</u> Amount Outstanding	\$ 10,043. ⁶⁴	\$	\$	\$
Date of Maturity	12/01/11			
Interest Rate	3.5 %	%	%	%
Current Year Interest <u>FEES</u>	\$ 1218. ³¹	\$	\$	\$
Current Year Principle	\$ 4956. ³²	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 850

Meter Deposits Refunded During the Test Year

\$ 0

WIFA Balance Statement Mirabell Water Company

Today's Date.....	31 Dec 05
Current Payment Date.....	02/01/06
Loan Amount	\$ 15,000.00
Loan Amount Drawn.....	\$ 15,000.00
Principal Repayments to Date.....	\$ 4,956.36
Principal Outstanding.....	\$ 10,043.64
Combined Interest & Fee Payments to Date.....	\$ 1,718.36

COMPANY NAME MIRABELL WATER COMPANY

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
624580	15	50	760	8	2"	1980

* Arizona Department of Water Resources Identification Number

N/A

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5 HP	2	0	0

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
25,000	1	2,000	1
10,000	1	44V 302	3

COMPANY NAME MIRABELL Water Company

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Transmission	3722
3	Distribution	2690
4		
5		
6	Transmission	630
8	Distribution	5900
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	39
1	23
1 1/2	
2	1 @ WELL
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

Fence & Gate @ well site

OTHER:

N/A

COMPANY NAME: MIRABELL Water Company

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	62	418260	489600
FEBRUARY	62	317000	377100
MARCH	62	349490	412200
APRIL	62	600780	680800
MAY	62	701650	857500
JUNE	62	850620	1001300
JULY	62	618280	732200
AUGUST	62	504640	613300
SEPTEMBER	62	667650	867900
OCTOBER	62	641090	715500
NOVEMBER	62	573703	670100
DECEMBER	62	381850	1110100
TOTAL		6625013	8528100

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes ☒ No

If yes, provide the GPCPD amount: N/A

What is the level of arsenic for each well on your system. 0.0023 mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Mirabell Water Company YEAR ENDING 12/31/2005

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 2750

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

MIRABELL WATER CO INC
ATTN: MORTON FREEMAN
1037 S ALVERNON WAY STE 250
TUCSON AZ 85711-5357

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2005 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
301	75	005B	\$ 22.61	10/25/2005

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
10/14/2005	FULL YEAR	\$22.61	\$0.00	\$0.00	\$22.61
	TOTAL PAID	\$22.61	\$0.00	\$0.00	\$22.61

PROPERTY ADDRESS

TAX YEAR 2005 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

115 North Church Avenue - Tucson, Arizona 85701-1199 - Phone (520) 740-8341 - Fax (520) 884-4809

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

MIRABELL WATER CO INC
MORTON FREEDMAN/PRESIDENT
1037 S ALVERNON, SUITE 250
TUCSON AZ 85711

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2005 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
911	15	1000	\$ 3,043.92	10/25/2005

		PAYMENTS			
PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
10/14/2005	FIRST HALF	\$1,521.96	\$0.00	\$0.00	\$1,521.96
	TOTAL PAID	\$1,521.96	\$0.00	\$0.00	\$1,521.96

PROPERTY ADDRESS

TAX YEAR 2005 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$1,521.96
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$1,521.96

ADDITIONAL INFORMATION

FIRST HALF TAXES ARE DUE 10/01/2005 AND DELINQUENT AFTER 11/01/2005. SECOND HALF TAXES ARE DUE 03/01/2006 AND DELINQUENT AFTER 05/01/2006. INTEREST CHARGES ACCRUE FOR PAYMENTS MADE AFTER DELINQUENCY DATES. FOR PAYMENT INFORMATION AFTER DELINQUENCY DATES, PLEASE CALL (520) 740-8341 OR VISIT WWW.TO.PIMA.GOV

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

115 North Church Avenue - Tucson, Arizona 85701-1199 - Phone (520) 740-8341 - Fax (520) 884-4809

LXV

TUCSON, AZ 85711
PH# 520-363-7777

Pay to the
Order of

1206.01
One Thousand Two Hundred and Six Dollars and 01/100



**Commercial
Federal Bank**

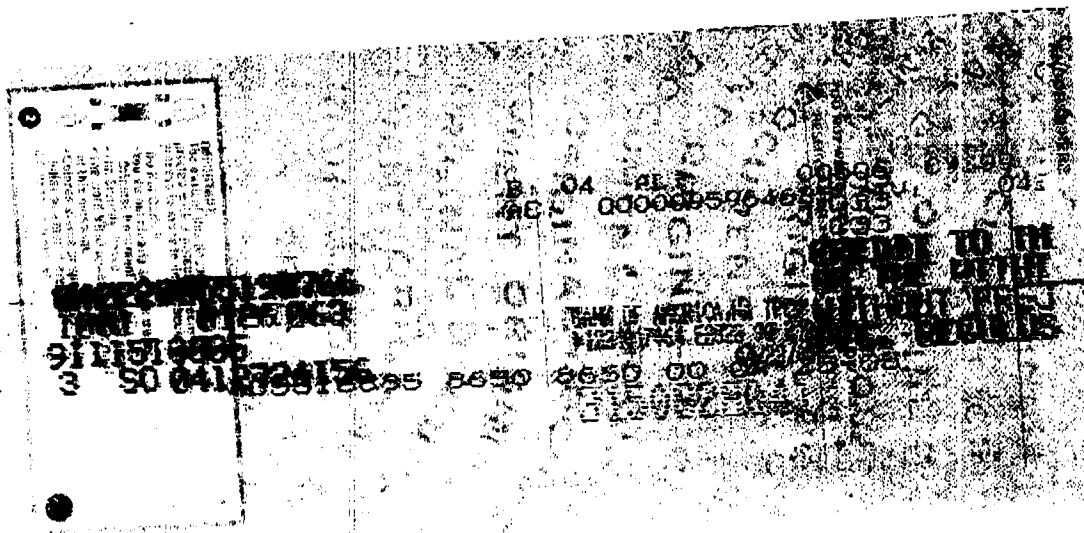
7225 North Oracle Road, Tucson, AZ 85704
1-800-743-6772
www.comfediabank.com

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BEVERLEE LONE

⑆ 22260506 ⑆ 000095964625 ⑆ 03052 ⑆ 000012060 ⑆

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VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 03 2006

Z Corporation Commissic
Director of Utilities

VERIFICATION

STATE OF Az

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Mirabell Water Company / Martin Freedman</u>
COMPANY NAME	<u>Mirabell Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Martin Freedman
SIGNATURE OF OWNER OR OFFICIAL
(520) 323-7777
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

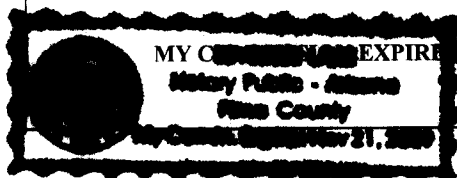
27

DAY OF

COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u>
YEAR	<u>2006</u>

(SEAL)

Barbara Lane
SIGNATURE OF NOTARY PUBLIC



COMPANY NAME Mirabell Water Company YEAR ENDING 12/31/2005**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 7,711
Estimated or Actual Federal Tax Liability _____State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Morton Freeman
SIGNATURE3/27/06
DATEMORTON FREEMAN
PRINTED NAMEPRESIDENT
TITLE

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 03 2006

Z Corporation Commissic
Director of Utilities

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Mirabell Water Company / Martin Freedman</u>
COMPANY NAME
<u>MIRABELL WATER COMPANY</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 32,421

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)

Martin Freedman
SIGNATURE OF OWNER OR OFFICIAL
(520) 323-7777
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

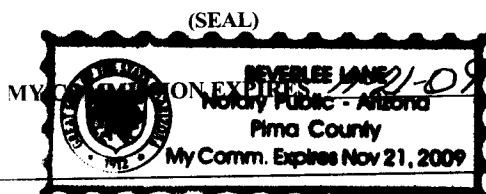
THIS

27th

DAY OF

COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u>
YEAR	<u>2006</u>

Beverly Lane
SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 03 2006

Z Corporation Commissic
Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) <u>PIMA</u>	
NAME (OWNER OR OFFICIAL) <u>Michael Water Company/Metm Freshman</u>	TITLE <u>President</u>
COMPANY NAME <u>Michael Water Company</u>	

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>37,471</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Michael Water Company
SIGNATURE OF OWNER OR OFFICIAL

(520) 323-7777
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

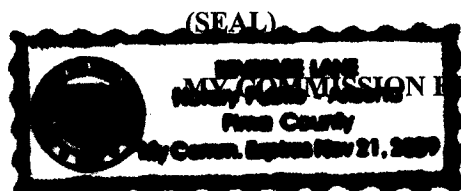
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

27

DAY OF

NOTARY PUBLIC NAME <u>BEVERLEE LANE</u>	
COUNTY NAME <u>PIMA</u>	
MONTH <u>March</u>	20 <u>06</u>



EXPIRES 11-21-09

Beverlee Lane
SIGNATURE OF NOTARY PUBLIC